

Rexall *Cellasene* Litigation

- **Coordinated litigation of state court class actions and FTC enforcement action**
- **California State Court Class Action – Los Angeles Superior Court (CA class)**
- **Florida State Court Class Action – Palm Beach Circuit Court (49-state class)**
- **FTC Enforcement Action – S.D. Fla.**

Coordinated Litigation Strategy

- **Rexall's document production to FTC and private litigants**
- **Coordination of depositions and agreement to use depositions in all cases**
- **Favorable rulings on “privileged” documents in Calif. State Court Class Action**
- **Production of formerly “privileged” documents to FTC, which then re-deposed certain witnesses**

Coordinated Mediation Strategy

- **Agreement to conduct three-way mediation before experienced Calif. mediator (Justice Trotter)**
- **Private litigants focused on negotiation of consumer redress amount**
- **FTC and Rexall focused on negotiation of injunction/consent decree**

Coordinated Settlement

- **FTC-approved notice and claims administrator (Gilardi & Co.) and FTC-type consumer redress procedure**
- **Nationwide class notice campaign (long-form notice) (*Ex. A*)**
- **Consumer Claim and Release Form (*Ex. B*)**
- **FTC Injunction and Consent Decree (*Ex. C*)**
- **Settlement approval by Calif. and Fla. courts**

Consumer Redress Fund

- **Rexall agreed to pay \$8-\$12 million, plus fees and expenses**
- **Rexall paid cost of nationwide notice campaign (approximately \$750,000)**
- **Gilardi paid 1,862 consumer claims totaling \$362,670 (average claim = \$194.77)**
- **Residue (\$7 million) will be divided between U.S. Treasury and *cy pres* distribution to 20+ charitable organizations, medical research, etc.**